



Legislation Details (With Text)

File #: 20-0112 **Version:** 1 **Name:** First Amendment to Newark Interfaith LLC RDA
Type: Resolution **Status:** Adopted
File created: 1/21/2020 **In control:** Economic and Housing Development
On agenda: 5/6/2020 **Final action:** 5/6/2020

Title: Dept/ Agency: Economic and Housing Development
Action: ☒ Ratifying ☒ Authorizing ☒ Amending
Type of Service: Private Sale/Redevelopment
Purpose: First Amendment to the Agreement for the Sale and Redevelopment of Land to Newark Interfaith, LLC, to develop approximately forty-eight (48) residential housing units, one (1) mixed-use, and one (1) commercial property, to remove the following six (6) properties: 827-829 Bergen Street; 831-833 Bergen Street; 835 Bergen Street; 837-839 Bergen Street; 841-843 Bergen Street; and 845 Bergen Street.
Entity Name: Newark Interfaith, LLC.
Entity Address: One Gateway Center, Suite 2600, Newark, New Jersey 07102
Sale Amount: \$300,233.28
Cost Basis: ☒ \$4.00-\$10.00 PSF ☐ Negotiated ☐ N/A ☐ Other:
Assessed Amount: \$583,800.00
Appraised Amount: \$0.00
Contract Period: To commence within three (3) months and be completed within eighteen (18) months from the transfer of ownership by the City
Contract Basis: ☐ Bid ☐ State Vendor ☐ Prof. Ser. ☐ EUS
☐ Fair & Open ☐ No Reportable Contributions ☐ RFP ☐ RFQ
☒ Private Sale ☐ Grant ☐ Sub-recipient ☐ n/a

List of Property:

(Address/Block/Lot/Ward)

Property Address	Block	Lot	Square Feet	Price Per Sq. Foot	Price
40-50 Kent Street	2615	23	13,358.97	\$4.00	\$53,435.88
379-381 Avon Avenue	2632	22	5,000	\$4.00	\$20,000.00
687-689 Clinton Avenue	3008 99	6,482.10	\$10.00	\$64,821.00	
522-524 Hawthorne Avenue	3067 99	5,202	\$10.00	\$52,020.00	
520 Hawthorne Avenue	3067 99	2,000	\$10.00	\$20,000.00	
510-512 Hawthorne Avenue	3067	7.01	4,500	\$10.00	\$45,000.00
12-16 Wolcott Terrace	3617	15,16	4,754.10	\$4.00	\$19,016.40
10 Wolcott Terrace	3617	26	2,006.40	\$4.00	\$8,025.60
22-26 Wolcott Terrace	3618	11	2,028.60	\$4.00	\$8,114.40
24 Patten Place	3618	10	2,450	\$4.00	\$9,800.00
Total		47,782.17			\$300,233.28

Properties located on major corridors, Clinton Avenue and Hawthorne Avenue, are being sold at \$10.00 per square foot. The other properties are being sold at \$4.00 per square foot. (South Ward)

Square Feet 29,598.07 X \$4.00 = \$118,392.28

Square Feet 18,184.10 X \$10.00 = \$181,841.00

Total Sales Price: \$300,233.28

Sale at prices set forth by Ordinance 6S&Fh, adopted on April 7, 2004, establishing the minimum sale price of City-owned properties.

Resolution 7R2-g(AS) adopted on September 5, 2019, authorized the City of Newark to enter into an Agreement for the Sale and Redevelopment of Land with Newark Interfaith, LLC, for the development of approximately forty-eight (48) residential housing units, one (1) mixed-use and one (1) commercial

property.

This resolution amends Resolution 7R2-g(AS) adopted on September 5, 2019, by removing six (6) properties from the resolution and the Agreement for the Sale and Redevelopment of Land.

Sponsors: John Sharpe James, Eddie Osborne

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
5/6/2020	1	Municipal Council	Adopt	Pass

Dept/ Agency: Economic and Housing Development

Action: (X) Ratifying (X) Authorizing (X) Amending

Type of Service: Private Sale/Redevelopment

Purpose: First Amendment to the Agreement for the Sale and Redevelopment of Land to Newark Interfaith, LLC, to develop approximately forty-eight (48) residential housing units, one (1) mixed-use, and one (1) commercial property, to remove the following six (6) properties: 827-829 Bergen Street; 831-833 Bergen Street; 835 Bergen Street; 837-839 Bergen Street; 841-843 Bergen Street; and 845 Bergen Street.

Entity Name: Newark Interfaith, LLC.

Entity Address: One Gateway Center, Suite 2600, Newark, New Jersey 07102

Sale Amount: \$300,233.28

Cost Basis: (X) \$4.00-\$10.00 PSF () Negotiated () N/A () Other:

Assessed Amount: \$583,800.00

Appraised Amount: \$0.00

Contract Period: To commence within three (3) months and be completed within eighteen (18) months from the transfer of ownership by the City

Contract Basis: () Bid () State Vendor () Prof. Ser. () EUS

() Fair & Open () No Reportable Contributions () RFP () RFQ

(X) Private Sale () Grant () Sub-recipient () n/a

List of Property:

(Address/Block/Lot/Ward)

Property Address	Block	Lot	Square Feet	Price Per Sq. Foot	Price
40-50 Kent Street	2615	23	13,358.97	\$4.00	\$53,435.88
379-381 Avon Avenue	2632	22	5,000	\$4.00	\$20,000.00
687-689 Clinton Avenue	3008	1	6,482.10	\$10.00	\$64,821.00
522-524 Hawthorne Avenue	3067	1	5,202	\$10.00	\$52,020.00
520 Hawthorne Avenue	3067	3	2,000	\$10.00	\$20,000.00
510-512 Hawthorne Avenue	3067	7.01	4,500	\$10.00	\$45,000.00
12-16 Wolcott Terrace	3617	15,16	4,754.10	\$4.00	\$19,016.40
10 Wolcott Terrace	3617	26	2,006.40	\$4.00	\$8,025.60
22-26 Wolcott Terrace	3618	11	2,028.60	\$4.00	\$8,114.40
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Total			47,782.17		\$300,233.28

Properties located on major corridors, Clinton Avenue and Hawthorne Avenue, are being sold at \$10.00 per square foot. The other properties are being sold at \$4.00 per square foot. (South Ward)

Square Feet 29,598.07 X \$4.00 = \$118,392.28

Square Feet 18,184.10 X \$10.00 = \$181,841.00

Total Sales Price: \$300,233.28

Sale at prices set forth by Ordinance 6S&Fh, adopted on April 7, 2004, establishing the minimum sale price of City-owned properties.

Resolution 7R2-g(AS) adopted on September 5, 2019, authorized the City of Newark to enter into an Agreement for the Sale and Redevelopment of Land with Newark Interfaith, LLC, for the development of approximately forty-eight (48) residential housing units, one (1) mixed-use and one (1) commercial property.

This resolution amends Resolution 7R2-g(AS) adopted on September 5, 2019, by removing six (6) properties from the resolution and the Agreement for the Sale and Redevelopment of Land.

WHEREAS, the City of Newark (the "City") is authorized, pursuant to N.J.S.A. 40A:12A-8(g), to sell City-owned properties, no longer needed for public use, in conjunction with an applicable redevelopment plan, at such prices and upon such terms as it deems reasonable, for the purpose of rehabilitating the area; and

WHEREAS, on September 5, 2019, the Municipal Council adopted Resolution 7R2-g(AS) (the "Original Resolution"), which authorized the sale of the following City-owned properties located within the South Ward, no longer needed for public use, in accordance with the South Ward Redevelopment Plan, as amended, which governs the redevelopment of city-owned properties located within the South Ward and identified as:

<u>PROPERTY ADDRESS</u>	<u>BLOCK</u>	<u>LOT</u>		<u>SQUARE FEET</u>	<u>PRICE PSF</u>	<u>SALE PRICE</u>
			<u>LOT SIZE</u>			
40-50 Kent Street	2615	23	135.9X98.3	13,358	4.00	\$53,435.88
379-381 Avon Avenue	2632	22	50X100	5,000	4.00	\$20,000.00
687-689 Clinton Avenue	3008	1	52.7X123	6,482	10.00	\$64,821.00
522-524 Hawthorne Avenue	3067	1	5202	5,202	10.00	\$52,020.00
520 Hawthorne Avenue	3067	3	20X100	2,000	10.00	\$20,000.00
510-512 Hawthorne Avenue	3067	7.01	4500	4,500	10.00	\$45,000.00
827-829 Bergen Street	3590	33	50X100	5,000	10.00	\$50,000.00
831-833 Bergen Street	3590	35, 36	50X100	5,000	10.00	\$50,000.00
835 Bergen Street	3590	37	30X100	3,000	10.00	\$30,000.00
837-839 Bergen Street	3590	38, 39	45X100	4500	10.00	\$45,000.00
841-843 Bergen Street	3590	40.01	3750	3750	10.00	\$37,500.00
845 Bergen Street	3590	40.02	3550	3550	10.00	\$35,500.00
12-16 Wolcott Terrace	3617	15, 16	68.9X69	4754	14.00	\$19,016.40
10 Wolcott Terrace	3617	26	32X62.7	2006	44.00	\$8,025.60
22-26 Wolcott Terrace	3618	11	69X29.4	2028	64.00	\$8,114.40

24 Patten Place	3618	10	35X70	2450.04.00	\$9,800.00
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29,598.07 Sq. Ft. X \$4.00 = \$118,392.28

42,984.10 Sq. Ft. X \$10.00 = \$429,841.00

Total Purchase Price: \$548,233.28; and

WHEREAS, the original resolution and the Agreement for the Sale and Redevelopment of Land (the "Agreement") with Newark Interfaith, LLC provides for the sale of sixteen (16) properties owned by the City; and

WHEREAS, the Director of the Department of Economic and Housing Development has since determined that it would like to reduce the number of properties being sold to Newark Interfaith, LLC from sixteen (16) to ten (10) properties; and

WHEREAS, the City wishes to remove the following properties from the Agreement and the Original Resolution: 1.) 827-829 Bergen Street; 2.) 831-833 Bergen Street; 3.) 835 Bergen Street; 4.) 837-839 Bergen Street; 5.) 841-843 Bergen Street; and 6.) 845 Bergen Street; and

WHEREAS, the City desires to amend Resolution 7R2-g(AS) adopted on September 5, 2019, to approve the sale of all of the properties listed in said resolution excluding the following properties: 1.) 827-829 Bergen Street; 2.) 831-833 Bergen Street; 3.) 835 Bergen Street; 4.) 837-839 Bergen Street; 5.) 841-843 Bergen Street; and 6.) 845 Bergen Street, identified on the Official Tax Map respectively as Block 3590, Lots 33, 35, 36, 37, 38, 39, 40.01 and 40.02.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

- Resolution 7R2-g (AS), adopted on September 5, 2019, is hereby amended to remove the following properties located at: 1.) 827-829 Bergen Street; 2.) 831-833 Bergen Street; 3.) 835 Bergen Street; 4.) 837-839 Bergen Street; 5.) 841-843 Bergen Street; and 6.) 845 Bergen Street, identified on the Official Tax Map respectively as Block 3590, Lots 33, 35, 36, 37, 38, 39, 40.01 and 40.02, from the resolution and the Agreement.
- The Mayor and/or his designee, the Director of the Department of Economic and Housing Development are hereby authorized to execute the First Amendment to the Agreement for the Sale and Redevelopment of the Land, attached hereto, with Newark Interfaith, LLC, One Gateway Center, Suite 2600, Newark, New Jersey 07102, for the private sale and redevelopment of the following properties (the "Properties") for the following purchase price, in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the terms and conditions of the attached First Amendment to the Agreement for the Sale and Redevelopment of Land, and the South Ward Redevelopment Plan, as amended:

Property Address	Block	Lot	Square Feet	Price Per Sq. Foot	Price
40-50 Kent Street	2615	23	13,358.97	\$4.00	\$53,435.88
379-381 Avon Avenue	2632	22	5,000	\$4.00	\$20,000.00

687-689 Clinton Avenue	3008	1	6,482.10	\$10.00	\$64,821.00
522-524 Hawthorne Avenue	3067	1	5,202	\$10.00	\$52,020.00
520 Hawthorne Avenue	3067	3	2,000	\$10.00	\$20,000.00
510-512 Hawthorne Avenue	3067	7.01	4,500	\$10.00	\$45,000.00
12-16 Wolcott Terrace	3617	15,16	4,754.10	\$4.00	\$19,016.40
10 Wolcott Terrace	3617	26	2,006.40	\$4.00	\$8,025.60
22-26 Wolcott Terrace	3618	11	2,028.60	\$4.00	\$8,114.40
24 Patten Place	3618	10	2,450	\$4.00	\$9,800.00
Total			47,782.17		\$300,233.28

29,598.07 Sq. Ft. X \$4.00 = \$118,392.28

18,184.10 Sq. F. X \$10.00 = \$181,841.00

Total Purchase Price: \$300,233.28

3. Said Properties shall be sold to Newark Interfaith, LLC, by private sale for the purpose of developing the above-mentioned Properties by constructing approximately forty-eight (48) residential housing units, one (1) mixed use, and one (1) commercial property.
4. The Municipal Council hereby ratifies the First Amendment to the Agreement for the Sale and Redevelopment of Land with Newark Interfaith, LLC, from September 5, 2019, to the date of adoption of this resolution.
5. All other terms and conditions of the Agreement shall remain the same.
6. All other parts of Resolution 7R2-g(AS), adopted on September 5, 2019, shall remain the same.
7. The Redeveloper shall have thirty (30) days from the date this resolution is certified by the Office of the City Clerk to execute the attached First Amendment to the Agreement for the Sale and Redevelopment of Land and return same to the Department of Economic and Housing Development. Should the Redeveloper fail to execute and return the attached Agreement within this thirty (30) day time period, the authorization provided by this resolution shall be null and void, unless the Director of the Department of Economic and Housing Development agrees in writing to extend this thirty (30) day time period.
8. The Director of the Department of Economic and Housing Development shall place a copy of the executed First Amendment to the Agreement for the Sale and Redevelopment of Land, the Quitclaim Deed, and all such other executed agreements authorized by this resolution on file in the Office of the City Clerk.
9. The development of the Properties shall commence within three (3) months and be completed within eighteen (18) months from the transfer of ownership of the Properties by the City to the Redeveloper.
10. The Director of the Department of Economic and Housing Development is hereby authorized

to execute a Quitclaim Deed to the Redeveloper for the Properties. Said Quitclaim Deed conveying title to the Properties to the Redeveloper shall be approved as to form and legality by the City's Corporation Counsel and attested to and acknowledged by the City Clerk.

STATEMENT

This resolution authorizes an amendment to Resolution 7R2-g(AS), adopted on September 5, 2019, to remove the properties located at 827-829 Bergen Street, 831-833 Bergen Street, 835 Bergen Street, 837-839 Bergen Street, 841-843 Bergen Street, and 845 Bergen Street, identified on the Official Tax Map, respectively as Block 3590, Lots 33, 35, 36, 37, 38, 39, 40.01 and 40.02, from the resolution and the Agreement. All other parts of Resolution 7R2-g(AS), adopted on September 5, 2019, shall remain the same, and the following Properties shall be sold by private sale to Newark Interfaith, LLC, for the following purchase price.

Property Address	Block	Lot	Square Feet	Price Per Sq. Foot	Price
40-50 Kent Street	2615	23	13,358.97	\$4.00	\$53,435.88
379-381 Avon Avenue	2632	22	5,000	\$4.00	\$20,000.00
687-689 Clinton Avenue	3008	1	6,482.10	\$10.00	\$64,821.00
522-524 Hawthorne Avenue	3067	1	5,202	\$10.00	\$52,020.00
520 Hawthorne Avenue	3067	3	2,000	\$10.00	\$20,000.00
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Total			47,782.17		\$300,233.28